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STATEMENT BY ASSISTANT SECRETARY EDWIN M. MARTIN BEFORE THE LATIN AMERICAN SUBCOMMITTEE OF THE HOUSE FOREIGN AFFAIRS COMMITTEE ON THE SUBJECT OF COMMUNIST SUBVERSION IN THE HEMISPHERE

INTRODUCTION

I welcome this opportunity to appear before this Subcommittee to testify on the important problem of communist
subversion in the hemisphere. In recent months public
attention has focused to such a degree on the Soviets' arms
buildup in Cuba that it has tended to overshadow the serious
danger of subversive activities throughout Latin America, aided'
in many ways by Cuba and other bloc countries.

The problem of extra-continental totalitarian powers trying to subvert established governments in this hemisphere is
not new. During World War II the American Republics faced the
challenge of fascist subversion sponsored by the Axis powers.
Through individual and collective action they successfully
dealt with this threat. Since 1948, in the aftermath of the
communist seizure of power in Czcchoslovakia, the inter-American
community has been dealing with the problem of communist subversion promoted by countries of the Sino-Soviet bloc, now
aided by Cuba.

I mention this at the outset to point out that the American Governments have been confronting this issue long before there was a communist Cuba, and I expect they will continue to do so after Cuba is free again. State Department review completed Approved For Release 2005/06/09: CIA-RDP79T00429A000400020018-5

DEVELOPMENT

DEVELOPMENT OF COMMUNISM PRIOR TO CASTRO

The establishment of the communist parties in Latin America has taken place in at least five waves or phases. During the first of these, from 1918 to 1922, parties were formed in the five countries where the industrial revolution had made the most headway and where the labor movement had begun to acquire national prominence. While the five original communist parties were building on socialist or anarchist foundations during the 1920's, entirely new communist and communist-oriented groups were emerging in a majority of the other Latin American republics. In each case, the communist organizations in the second wave had to contend with more serious obstacles than their predecessors had initially faced. These handicaps included the almost complete absence of labor organizations, little or no tradition of radical political movements, and suppression of opposition groups by regimes that were either highly authoritarian or outright dictatorships.

At the sixth congress in 1928, the Comintern adopted the line that Soviet historians have since identified with the so-called "third period" of the Communist International. This line called for communists everywhere to declare themselves as such, to cease cooperation with "bourgeois" and "leftists reformist" elements, and to establish purely communist organizations which should strive to foment and seize the leadership of proletarian

revolutions.

revolutions. Repercussions were felt in every phase of communist activities in Latin America. With respect to their political apparatus, the Comintern directives made it clear that in countries where communists operated within other parties every effort should be made to convert these parties to full-fledged communist organizations. During 1929-1931, three new parties were also organized, bringing the number of countries with communist parties to seventeen.

The fourth wave of communist organizational activity in Latin America, from the mid-1930's to the mid-1940's, can be subdivided into three periods, each corresponding to a distinct episode in the annals of the international communist movement. These were the periods of the Popular Front, which had begun in Latin America by 1935, the Hitler-Stalin pact, from August 1939 to June 1941, and the remaining years of the Second World War. During these same years, half a dozen parties abandoned the communist label without changing their political orientation. The current phase, which began about 1946, has been characterized by the revival of some older parties that had virtually ceased to exist, and by occasional efforts to convert front parties into avowed communist parties. A review of these periods reveals that each wave of communist organizational activity corresponded to changing conditions within the various Latin American republics and to the shifting exigencies of Soviet foreign policy.

Size and Strength of Latin American Communist Parties, 1958

As of the end of 1953 it appeared that the climate for communist activities in Latin America was improving. The swollen, ill-paid urban populations seemed to offer an especially promising field for radical agitation of all kinds. Reacting to periods of dictatorial rule in various countries, leftist party leaders, students, journalists, and other intellectuals were voicing an insistent, but uncritical demand for the extension of liberties that promised to remove from the communist parties the legal impediments placed in their way by more conservative governments of the past. The communists, by their energetic denunciations of economic and social injustice, were in the eyes of many of the poorly educated intellectuals and leaders of the left proving themselves the true champions of democracy.

The communists' ability to realize their potential in Latin America depends on the size of the party and its immediate following, and also upon it influence in other political groups. In terms of communist party membership, the Argentine, Brazilian, Chilean, Cuban and Venezuelan parties represented all but a small part of the total, or about 215,000 of an estimated 250,000 party members in the area. They were also the leading communist parties in terms of importance within their own countries. These parties had sizeable non-party followings and influence among other political groups.

By the

By the close of 1958, the membership strength of the communist parties and their ability to influence the political system was largely confined to their continued hold in labor organizations and among intellectual and student groups. Only exceptionally were they able to make common cause with noncommunist parties commanding a mass following and they generally remained on the defensive. The outstanding success of the postwar period before the Castro takeover was in Guatemala in the period 1950-54, where the communists came to dominate the Arbenz Government and establish effective control over the country's labor and peasant organizations. As the Soviets' power and status reached new high levels in the late 1950's, the communist leadership, however, gained new confidence, but Latin America was still isolated from the centers of international communism and the local parties were unable to translate this growth of Soviet power into greater capabilities for influence and penetration in the national societies of Latin America.

Soviet Bloc Offensive in Latin America

Soviet relations with Latin America, which seemed to be entering a period of expansion in the aftermath of World War II, were cut back sharply in the period 1947-52 as one country after another suspended relations with the same time that they were taking measures against the local communist parties. Soviet operations in the area entered on the present period of expansion beginning in 1953 with overtures to the Perón Government for increased procedure of the period of the parties are a was part

part of a worldwide operation keyed to the underdeveloped countries, and spearheaded by trade and aid programs. As of December 31, 1958, the European bloc countries had 20-odd trade and payments agreements with five Latin American countries (Argentina, Brazil, Colombia, Uruguay and Mexico.) One or more of the bloc governments at this time had resident diplomatic missions in these same Latin American countries and also in Bolivia. Soviet bloc trade with Latin America rose from \$70 million in 1953, only 0.6% of Latin America's trade with the world, to \$275 million in 1958, hr 1.7% of Latin American trade. The peak was reached in 1955, reflecting trade with Argentina under the Perón regime - \$340 million or 2.5% of Latin American trade. During the period 1955-57, fourteen Latin American countries were visited by bloc trade missions, and seven of these countries sent missions to the bloc. In addition, during the 1950's travel between Latin America and the bloc reached a fairly high level, and bloc radio broadcasts allotted more and more time to Latin American audiences.

During the period 1953-58, the Soviets failed to gain any secure foothold through their diplomatic and economic offensive. What apparent successes they achieved were based on the need of various Latin American countries to sell surplus raw materials and their willingness to take Soviet goods in exchange. In Argentina and Uruguay, the main theaters of Soviet operation during

during this period, the Sovieta made no lasting gains. In general, the first phase of Soviet operations in the area was one of probing for opportunities.

COMMUNIST EFFORTS SINCE THE ADVENT OF CASTRO

Since 1959 the general pattern of communist subversion in the hemisphere shows a continuation of the tactics of infiltration, popular front action and insurgency, with a marked shift toward more violence. This has coincided with the advent of Castro and the sharpening of differences between Moscow and Peking on the tactics to be followed in pressing forward the communist campaign of world domination. The Soviets undoubtedly regard Latin America as an area offering unusual possibilities, but they have been cautious in their tactics, except where special opportunities have developed, as in the case of Cuba. On the other hand, there is no evidence that they have in any way restrained Cuba or local communist parties from violence of many forms.

The Strategy and Tactics of the Castro Regime

The strategy of the Castro regime from the beginning, despite all the disclaimers, how remained one of exporting its revolution—of converting the Andes into the Sierra Maestra of the Americas, as Castro stated in 1959. In its tactics the Castro regime has been changeable. During the first six months of 1959 in the flush of victory it sponsored armed expeditions

against

against several Caribbean countries. None of these were successful. They served only to arouse suspicions and generate action
by the OAS. Castro then shifted tactics, following a more subtle,
indirect approach. The Cuban efforts were channelled in four
main directions:

- 1. the formation of front organizations in the United
 States and the Latin American countries in the form of friendship societies or committees for the defense of the Cuban
 Revolution.
- 2. an intensive propaganda campaign using printed materials, news services provided by Frensa Latina, and newly constructed, powerful radio facilities.
- 3. covert material support, largely financial, to subversive groups.
- 4. indoctrination and training of hundreds of Latin Americans in Cuba, including training in sabotage, terrosism and guerrilla tactics.

I believe some specific examples of activities in these four categories would be of interest to members of the Sub-committee.

On the formation of front organizations, we do not have to go far afield. All of you are familiar with the Fair Play for Cuba Committee and its pro-Castro activities in this country. I would like to read the following excerpt from the annual report for the fiscal year 1961 of the FBI:

"The Fair

"The Fair Play for Cuba Committee is one of the main outlets in this country for pro-Castro propaganda. Many of its members are United States nationals. This Bureau during the 1961 fiscal year determibed that certain funds used by the Committee to pay for a newspaper advertisement had come from a Cuban official assigned to the United Nations, a fact later admitted by a Committee member in testimony before a congressional committee. FBI investigations also have shown that the Fair Play for Cuba Committee has been heavily infiltrated by the Communist Party and the Socialist Workers Party, and that these Parties have actually organized some chapters of the Committee."

Similar groups have been established in practically every other country of the hemisphere such as the "Legion of Volunteers for the Defense of Cuba" in Peru, the "Movement for Solidarity with and Defense of the Cuban Revolution" in Chile, the "Society of Friends of Cuba" in Brazil, and the "Society of Friends of the Cuban Revolution" in Costa Rica, to name only a few. Their function has been to propagandize and whip up enthusiasm for the Castro regime through rallies, demonstrations, propaganda and all the paraphernalia of communist front groups.

As part

As part of its propaganda campaign, the Cuban Government uses its news service Agencia Prensa Latina to spread its distortion of news events throughout the world. There are four Prensa Latina offices in Latin America, located at Rio de Janeiro, Montevideo, Santiago and Mexico City. These offices serve not only as news gathering centers for Cuban propaganda network, but as a means of contact with subversive groups throughout the hemisphere.

The Cuban Government places great emphasis on radio propaganda to further its subversive ends. It beams to the United States two English language programs, Radio Free Dixie and The Friendly Voice of Cuba, intended particularly for negro audiences to arouse racial antagonisms. Radio Habana is the chief propaganda vehicle of the Cuban Government for other countries. In May of 1961, Radio Habana produced a modest 42 hours a week for Europe and the Americas. Now it puts out some 188 hours a week, with almost 60% of that time devoted to Spanish language broadcasts to the Americas. good part, these broadcasts contain the usual virulent attacks against specific democratic governments and their personages, such as that of President Betancourt, and call on listeners to follow the Cuban example of revolution. Radio Habana also makes its facilities available to such groups as the Dominican Liberation Movement, the Peruvian

Anti-Imperialist Struggle Movement and the Guatemalan Information Committee on a regular basis to broadcast systematic and hostile propaganda designed to bring about the downfall of the governments in those countries.

To estimate the amount of Cuban printed material that is smuggled into the other countries of the hemisphere is difficult. But we can point to a few glaring examples where they have been caught red handed. Last October in Chile, a large crate weighing 1800 pounds, and sent by the Cuban Government to its Embassy at Santiago, was documented as "samples of Cuban products and cultural and commercial material." Upon being opened by Chilean authorities, the packages found inside the box contained Cuban propaganda addressed to various residents and citizens of Chile not accredited to the Embassy. The Chilean Government addressed a stern protest to the Cuban Embassy in the face of this outrageous effort to introduce Castro propaganda into Chile surreptitiously. Similarly, in Mexico in February 1962, Mexican customs authorittes seized a large quantity of Castro-communist propaganda that the Cuban Minister of Education, Armando HART Davalos qua brought with him to Mexico and tried to introduce into the country during an official visit.

Another form of support of subversive activities - and one which is difficult to trace - is the furnishing of funds

to subversive groups. Castro reportedly donated recently \$15,000 to a violent, extremist group in Colombia called the United Front for Revolutionary Action. The Cuban Government has also given financial aid to the leftist subversive activities of the pro-Castro Revolutionary Union of Ecuadorean Youth (URJE), which has been involved in guerrilla activities in Ecuador. The Quito radio on January 29 broadcast a letter sent to them by Pablo PAEZ, a young member of URJE who had recently been expelled from the group, in which he publicly acknowledged that two other individuals of the group, whom he named, made several trips to Cuba and returned with money for the support of the Ecuadorean guerrilla movement. One of these same individuals, he said, also received funds directly from the Cuban Embassy at Quito.

It is estimated that between 1000 and 1500 persons from other Latin American countries travelled to Cuba in 1962 for ideological indoctrination or guerrilla warfare training.

Most of these trainees are young, mostly in their teens or in their twenties. Ostensibly in Cuba to pursue normal studies of agricultural, industrial, or other techniques, students also receive heavy doses of indoctrination in Castro-communist ideology and guerrilla warfare. Returning young men from Cuba have stated that they go through simulated offensive and

defensive

defensive guerrilla exercises, are taught how to survive in the jungles, are given map and weapons instruction, as well as other training every good guerrilla should have. They are also told how to penetrate student, labor and other groups in their own countries. Venezuelans seem to be the most numerous national group among these trainees, and we do not consider it sheer coincidence that Venezuela's democratic government and the Venezuelan people are being subjected most heavily to theeterrorist and guerrilla activities of the Castro-communists.

In the aftermath of the Cuban crisis, the Castro regime has shifted the emphasis of its campaign in Latin America to one of open encouragement. Terror as a principal weapon was dictated by the loss of popular support as a result of the crisis and the futility of continuing popular front, mass movement tactics. It has been the only refuge of the very small minority throughout history.

On November 21, 1962, in a speech closing the so-called "Week of Solidarity with the Venezuelan People", Cuban Minister of Education, Armando Hart, said that it had become evi-dent that TimhLatin America the conquest of revolutionary power has to be achieved necessarily - at least in a great number of the countries - through class struggle carried to the level of armed insurrection by the proletariat and

peasant classes." A week later in an interview with the Habana correspondent of the London Daily Worker, Cuban Minister of Industries Ernesto Guevara is quoted as saying: "The Cuban revolution has shown that in conditions of imperialist domination such as exist in Latin America, there is no solution but ammed struggle." · Castro himself on January 16 of this year stated that "what is needed in Latin America are experts on changing the situation, experts on leading peoples in revolutions." Criticizing those who strink from violence, he said let the imperialist theoreticians preach conformism, but let the revolutionary theoreticians preach revolution without fear. Significantly, the "old" communists have recently also picked up this theme. Veteran Communist Party leader Carlos Rafael Rodriguez, now President of the Cuban Agrarian Reform Institute, in a speech on January 23 said? "Following the example of David, they are realizing in time, that revolution is the road--revolution which represents the definite change from the decayed structures which imperialism maintains in our American revolution, which means the explusion of imperialist and monopolistic wealth, supported by the traitor latifundists and by the cowardly, timid representatives of a bourgeoisie which feels the blows of imperialism without trying to divert them to realize that this revolution is possible, but this revolution

is achievable, that this revolution may have different roads for achievement but that there is only one road on which it can advance with confidence: the determination to struggle, to resist, to fight." Another veteran communist, Blas Roca, on January 24 praised the Venezuelan terrorists, saboteurs and guerrillas for their activities during the missile crisis, calling this "proletarian internationalism" and promising "We shall continue to give our support, each day in greater proportions, to the Venezuelan people". Earlier Fidel Castro himself in a speech marking the fourth anniversary of the Cuban revolution had this to say about the tactics of violence in Venezuela during the missile crisis:

"...the Venezuelan people struggled and gave extraordinary evidence of revolutionary spirit, led by
the glorious Communist Party of Venezuela and by
the valiant militants of the Leftist Revolutionary
Movement. The imperialists were given evidence of
what revolutionary solidarity is, and active solidarity of revolutionaries who do not sit in their
doorways to wait for the corpse of their enemy to
pass by, of revolutionaries who understand that
the duty of all revolutionaries is to create the
revolution."

These statements are a clear indication of the continuing interventionist purposes of the Castro regime and point to the direction in which we can expect it to channel its subversive activity in the hemisphere in the months to come. -17- 4

Soviet Bloc Efforts in Latin America since 1959

Over the past three years, efforts by the Soviet bloc to establish further its presence in Latin America outside Cuba and promote the fortunes of local communist parties have not generally met with success. Only the establishment of diplomatic relations between the USSR and Brazil and the promise of increased trade between them may be said to represent a clear plus for the bloc. Otherwise, diplomatic relations continue to be maintained with the same few countries in Latin America as before (Cuba, Argentina, Uruguay and Mexico) and no significant expansion of trade has taken place. One may cite as a clear setback the case of Argentina, where little use has been made of the \$100 million credit extended by the USSR in 1957 (because of the unavailability or inadequacy of merchandise) and where the Soviet and other bloc embassies have been forced to reduce the size of their staffs at Argentine demand. More ominous are the gains registered by the bloc in attracting students and other persons for training and indoctrination of all kinds. Attempts on the part of the bloc and Cuba to introduce propaganda into the various Latin American countries continue to have varying degrees of success. Some governments (e.g. Mexico, Uruguay) seem lately to have tightened control over the importation of such materials, but the amounts distributed in certain countries remains a most disturbing fact.

Nothwithstanding

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Notwithstanding these developments, it would appear that on balance the Soviet and Cuban images have suffered a setback during the past three years. The crisis of October 1962 played a major role in furthering this trend. Conditions in certain areas of Latin America, however, continue to be conducive to the growth of communist influence and consequently to penetration by Soviet bloc states and parties. The lack of spectacular successes in recent years should not be taken as a sign that either external or internal communist forces in Latin America have given up their attempts to overturn the existing order.

Implications of the Sino-Soviet Quarrel in Latin America

To-date the Latin American communist parties seem to have been reluctant either to admit the existence of basic differences between the USSR and Communist China or to take sides even when the differences were admitted. Castro has clearly played both sides while appealing for a reconciliation. One might suggest that his heart/in Peking but his stomach is in Moscow. Castro's tactics in winning power in Cuba have nevertheless provoked among those parties sharp discussion very similar in its subject matter to the discourse between the Soviets and the Chinese Communists. Principally involved is the question of the right strategy

to

to the successful conquest of political power. In virtually all Latin American communist movements there is a deep division of opinion as to whether to take the violent parth to power -- similar to that allegedly followed by the Chinese and the Cubans -- or the slower, "united front" path of alliance with leftist forces which is called the "via pacifica." general, the Soviets appear to favor the latter course of action as one surer of success in the long run and less liable to result in debilitating defeat for communist forces. Soviet attitude toward the violent path, which involves in most cases the use of a guerrilla movement, is shrouded in ambivalence. The Chinese sommunists on the other hand are urging this path on the Latin American communist movement through all the avenues open to them. There is thus, in effect, a coincidence of strategic views between Latin American dissident communist thinking and that of the Chinese communists. Our evidence suggests that the older communist leaders in the area tend to favor the Moscow viewpoint, while the younger, hotter-headed elements in the communist movement find themselves leaning toward the Cuban-Chinese communist strategy. If time does not bring success via the "peaceful path" there seems good reason to think that more Latin American communists will incline toward violent overthrow as their only possible alternative to gaining power. This does not mean captive of the Latin American parties by the Chinese;

they do not have the capability to provide the necessary material support.

Balance Sheet on Communism in Latin America since 1959

The communist apparatus in Latin America made significant progress during 1959, 1960, and 1961 and came to have greater self-confidence and optimism than at any time since the end of the war. Rather than in terms of membership or electoral success, this progress appeared in better linkage with the international communist movement, partly through Cuba, and in the improved atmosphere for operations in many countries. Especially during 1959 and early 1960, this was closely related to the appeal of the Cuban revolution. Even after disillusionment with Castro began to set in among many Latin American leftists, Cuba provided an important regional headquarters which continued to provide valuable support and services to the Latin American communists.

During this three year period the communists had greater success in finding indigenous leftist and nationalist groups disposed to make common cause with them. Significant gains among students and intellectuals were not matched by equivalent gains in penetration of urban trade unions. With heavy bloc support, propaganda activities were sustained at a higher level than ever before.

Although 1962 was one of the most active and eventful years in the history of the Latin American communist movement, it closed with little if any net overall gain for the communist Approved For Release 2005/06/09: CIA-RDP79T00429A000400020018-5 parties

parties in terms of numbers or influence. A year-end balance sheet looks something like this:

In the climate of change and crisis that prevailed during 1962, the noncommunist forces of the revolutionary left rather than the communist parties themselves appeared to be the main gainers. The communists had little to show in terms of party membership or vote following, and internal factionalism increased sharply, in part because many old line leaders responded only feebly to their opportunities. Nevertheless in an overall trend favoring revolutionary appeals, the communists in 1962 were making progress along three main lines.

Infiltration succeeded best in Brazil. Communist-backed candidates in the October 1962 elections, while they did not fare exceptionally well in the country as a whole, won important victories in certain key states. The communist line is to "fight against the vacillation of the government and its compromising with the reactionary forces."

The peaceful road to power has been followed by the communist movement in Chile more faithfully than by any other party. The well-established Chilean Communist Party (PCCh) had good reason for this policy because its prospects for coming to power through the polls remain considerably brighter than those of any other Latin American Communist Party. Allied

for years with the Socialist Party and other leftist elements in the Popular Action Front (FRAP), which narrowly missed electing its candidate president in 1958, the PCCh obtained nearly 12 percent of the vote in the March 1961 congressional elections and has since raised its membership from about 18,000 to at least 25,000. With their eyes fixed upon the 1961 presidential elections, the Chilean communists give top priority to maintaining the FRAP and avoiding any actions which might jeopardize the legal status which the PCCh regained in 1958.

differences between the communists and the socialists became more evident than in the past, and strains within the FRAP became acute. At the same time voices within the PCCh advocated developing guerrilla capabilities against the eventuality that force might be used to keep the communists from enjoying the fruits of electoral victory. Thus the PCCh like most other Latin American communist parties is confronting the choice between the peaceful road and violent revolution or guerrilla warfare, and makes its decision in the light of relative prospects for success. The ambivalence in many parties stems from disagreement among party leaders over just this point.

The

The choice of violent action showed most dramatically in Venezuela, but also in Peru, Ecuador and to some extent in Brazil. I will discuss this separately later on.

In Bolivia the orthodox Communist Party (PCB) so far sees its road to power through continued successful infiltration of the Left Sector of the National Revolutionary Movement (MNR). The Guatemalan Labor Party (PGT) has officially adopted a policy of preparing for any form of struggle. In El Salvador the party undertook some guerrilla training on a minor scale during 1962.

Vigorous dissension has at times accompanied these trends, and even led to open rupture. The outstanding division during 1962 took place in Brazil where the Communist Party (PCB), was in 1962 confronted by an organized rival party. Luiz Carlos Prestes has for the last eight years led the PCB on a "soft" line and concentrated upon the quest for legality. During 1961 leftist dissidents, led by three ex-members of the PCB presidium and five other former central committee members, accused Prestes and his associates of revisionism and rightist deviation. Expelled as divisionists, the dissidents organized early in 1962, taking the name Communist Party of Brazil and claiming to be the legitimate PCB.

come

come to lead the communist movement in Brazil, the dissidents have actively sought recognition from other communist parties and the Castro regime. Unlike the Prestes PCB, they are actively preparing for guerrilla warfare.

In Mexico, the communist movement was already fragmented. Dissension over activism was only one of the divisive factors which worked during 1962 to split the communist movement in Mexico into half a dozen fending elements, none of major consequence.

Increased Trend Toward Violence

As I noted earlier, there is a marked trend toward violence in certain areas in Latin America, reflecting Cuban urging as well as the necessities of local movements. more and more isolated. Nowhere is it more evident than in Venezuela where, since January of last year, the communists have maintained a determined, but unsuccessful effort to overhtrow the Betancourt Government. During 1962, under communist leadership, the terrorist and guerrilla units were a refrganized into the "Armed Forces of National Liberation" (FAIN). In the interior they have attempted to establish guerrilla bands with not much success, largely because of the vigilance of the Venezuelan armed forces and the cooperation of the rural population in whose welfare President Betancourt has taken so much interest. In the cities - especially Caracas - they are waging a campaign of sabotage and terrorism. Homemade pipe bombs are placed about the city; hit and run raids have been perpetrated in which houses and sometimes policementare shot with submachine guns from speeding cars; attempts have been made, some successfully, to burn warehouses of foreign enterprises. In these activities, police and law enforcement officials have been killed or wounded and bystanders have been frequently wounded in crossfire or by bomb fragments. Approved For Release 2005/06/09: CIA-RDP79T00429A000400020018-5

Foreign-owned oil installations in the interior have been constant targets. The extremists carried out their most spectacular act of sabotage in October 1962 when they blew up four strategic transformer stations belonging to the Standard Oil of New Jersey Lake Maracaibo complex. Testimony taken by the Venezuelan Government from two of the saboteurs which were captured clearly demonstrates that it was done on orders of the Communist Party in Maracaibo.

Throughout this campaign the democratic government of President Betancourt has demonstrated determination and ability to deal with the situation. Press accounts have perhaps given outsiders an exaggerated impression of the Caracas scene, where life goes on pretty calmly. I am reminded of the popular impression of Chicago in the early '30's, an impression greatly exaggerated for I lived there and never came close to a shooting.

In Peru we have another dramatic example of the increasing tempo of communist-inspired subversion and violence. For the past several months, in an agricultural area of the Andean Department of Cuzco, communist agitators, many of whom were trained in Cuba, have been able to foment an armed peasant dissident movement that has been responsible for the forceful seizure of lands, armed attacks, and considerable bloodshed incident thereto. Last December, Castro-compunist residence 2005/06/09:1614-FDP2/1984294000/180939818-5r

of the American-owned Cerro Corporation at La Oroya in the central Andes, seized control of the installation, and caused about \$4 million worth of damage. Early in January, following a strike that had been settled between the management and the legitimate trade union leaders, communist agitators incited workers on two Peruvian-owned sugar plantations near Chiclayo on the north coast, damaging installations and firing cane fields - about a million dollars of damage in all. These were the most dramatic cases, but there were many other incidents of Castro-communist agitation of workers, peasants, and students.

In the face of this growing pattern of communistinspired violence and subversion, the Peruvian Government
on January 5 cracked down on the communists and Castroites,
arresting about a thousand of them. The Government
announced at the same time the discovery of a Castrocommunist plot, master-minded from abroad, of which
these incidents were only the first steps in what was
to be an increasing rhythm of disorder, terrorism,
and revolutionary activity. After escreening those
arrested, the authorities have announced that they
plan to bring to trial 212 persons for implication in
these incidents of violence and in the subversive plot.

In Ecuador there has been a shift in tactics following the diplomatic break with Cuba in April 1962.

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The 7th Ecuadoran Communist Party (PCE) Congress saw strong sentiment in favor of violent revolution as part of the official PCE line. It has yet to be translated into direct action.

In Brazil there have been periodic instances of violence in the Northeast during the past year or so, several of which have been directly or indirectly linked to the Peasant Leagues led by Francisco Juliao. Communist involvement in this activity was clearly demonstrated by the discovery by local policy officials of a large number of pamphlet translations of Che Guevara's booklet on guerrilla warfare. There have been scattered instances of foreeable seizure of both public and private lands by squatters in various regions of Brazil — some of which have reportedly been triggered by extremist agitators.

Persistent reports of smuggling and stocking of arms have also been received. In one recent instance, a cache of arms was reportedly seized at Dianopolis in a remote region of the State of Goias and some 26 persons arrested for alleged subversive activity. In another instance, Rio de Jameiro police arrestednone Clodomir Santos do Morais, a lawyer for the Peasant Leagues, while he was transporting a clandestine shipment of arms from Rio to the interior. Morais was also in possession of the calling card of a Soviet diplomat

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assigned to Brazil -- which card reportedly bore an inscription from the diplomat to Juliac. Finally, there is the well-publicized instance of the documents found in the crashed Varig airliner outside Lima - documents which are said to contain detailed reports of activities in Brazil, on a relatively small scale and inefficiently executed, with the help and guidance of Cuba, to give guerrilla training in connection with peasant violence.

Problems of control of subversive action

Before leaving this aspect of the problem I would like to say something about the difficulties in curbing subversive activities. The very nature of clandestine action makes it difficult to deal with. In free societies where subversive elements take advantage of the safeguards of democratic processes and where governments feel themselves inhibited by respect for constitutional norms, the problem is even more complicated. Add to this the lack of adequate administrative machinery and internal security capabilities which exists in most of the Latin American countries, and you can see the dimensions of the problem. For example, coastlines are extensive and thinly populated and frontiers are for the most part run through rugged turnamn difficult to patrol. Effective control of clandestine shipments of arms and men becomes a most difficult task under Approved For Release 2005/06/09: CIA-RDP79T00429A000400020018-5 these

these conditions. The ease with which money can be transmitted poses a serious problem for government with the most elaborate security machinery. Propaganda which comes over the radio can be blocked but only at the expense of the greatest effort and expenditure, and even then is not completely successful. The control of the entry and departure of travellers and surveillance which they are in the country is another task requiring large numbers of trained personnel and substantial funds. I mention these solely to give you some idea of what we and our sister republics are up against in trying to develop our capacity to deal with the problem of subversion through individual and collective effort.

STEPS WE ARE TAKING TO COMBAT COMMUNIST SUBVERSION

In the face of the communist subversive offensive in the hemisphere, there arises the question of what the U.S. and the other American Republics are doing to meet it. Our success, of course, in combatting this offensive will depend greatly on the will and ability of the other governments to act and coordinate their efforts with ours. We are channelling our direct attack on this problem in two directions. One is to isolate the Castro regime and discredit the image of the Cuban revolution in the hemisphere. The other is to improve the internal security capabilities of the countries concerned. Equally, if not more important over the long term, will be the achievement of our goals under the Alliance for Progress, a partnership of twenty countries of the inter-American system, as a permanent solution to the problem.

Inter-Agency Program Coordination

A number of U.S. agencies are engaged in implementing programs designed to assist the governments of Latin America to deal with this insidious threat. Their individual activities are carried on as a part of an integrated US effort to promote sound political, economic and social structures through democratic processes and thus weaken the strength of the appeal of those who advocate a violent revolutionary process and authoritarian regimes rather than evolutionary development of political democracy and economic well-being.

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Each of the representatives of the other agencies at this hearing will be able to furnish you in more detail about their efforts and the achievement of these objectives.

Coordination of all of these activities takes place in the weekly meetings of the Latin American Policy Committee. In these meetings, senior policy officials of all the concerned agencies meet with me to discuss their programs on the basis of prepared staff papers. We examine in some detail the activities of each of the agencies in a particular country at each weekly meeting and agree on a program for periods in the future ranging from six months to a number of years, depending on our ability to foresee what is needed. Wherever possible, we arrange these discussions so that our Ambassador in the country may both contribute his first-hand knowledge and carry back the informal guidance which results from having participated in our discussions.

As the conclusions of the Latin American Policy Committee represent a major new US effort or a change in direction, they are submitted to higher authority for review and approval, including, where appropriate, the President.

These policy and program decisions are then carried out as an integrated effort by the country team in the field and by day-to-day dialogue between the country desk officers of the various agencies to insure that the individual program and its purposes are fully understood and reflected at the operational level in the country.

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Activities to Weaken and Discretit the Castro Regime

While subversion has been, as we have seen, a long-term efforts, its strength is unquestionably affected by the position, prestige and stability of Castro and his regime in Cuba. We have had a considerable measure of success from our efforts to isolate Cuba and discredit the Castro Government. In this regard, the missile crisis proved to be of inestimable value in unmasking the Castro regime, previously regarded as a model for new Latin American type revolution, as just one more tool of Moscow. The inepitude of Cuban leaders, coupled with our efforts to increase isolation of Cuba from access to the industrialized markets of the free world, has brought about serious economic deterioration in the island. In the political field we have achieved a major reduction in the influence of fidelismo. The Castro Government has been suspended from participation in the OAS. Fifteen American Republics no longer have diplomatic relations with Cuba. Last October during the missile crisis we achieved complete hemispheric solidarity on OAS action to protect the peace and security of the continent. As a result of economic deterioration, Soviet domination and political ostracism, the Cuban example has become increasingly less attractive to Latin America.

In quite a different areaa, USIAlis waging a battle for men's minds in telling the story of the betrayal of the Cuban revolution

revolution and what conditions in Cuba and other communist countries are like today. Through radio, press, books, television and films, this message is being carried daily to the Latin American public. To cite a few examples: (a) 4,500 hours of USIA-furnished packaged radio programs are being broadcast over some 1,500 Latin American stations per week; (b) some 10,000 words of news and commentary are being sent daily via teletype to all Latin American posts for placement in the local ress; and (c) a weekly fifteen-minute video taped show is being televised regularly in forty-two cities of eighteen Latin American countries, with an estimated 10 million viewers.

In addition to this mass approach, USIA has greatly expanded its efforts to make contact, on behalf of the free world, in special groups such as labor, student bodies, and intellectual and cultural elite who are the priority targets of the communist efforts.

A gauge of the success of our efforts to discredit and isolate the Castro regime politically and economically is to be found in the inability of the extreme left to organize anti-American public demonstrations of any significant proportions during the critical days of themmissile crisis. One is reminded of the oft-repeated boast of the Castro regime of how the hemisphere would rise in defense of Cuba if measures were taken against it. The record shows otherwise. Only in Argentina, Bolivia and Uruguay were popular demonstrations of any size mounted and only

in Venezuela

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in Venezuela were there any effective sabotage efforts.

Minor protest meetings, student marches, and bombings were reported from other countries, but were regarded as failures in terms of generating popular opposition to the action of the United States.

In Colombia itaappeared that the immediate reaction of the communist party and other extremists was defensive, and, rather than attempting to organize demonstrations, they avoided hostile action. In Chile there were only small, limited demonstrations, despite much propaganda and planning action by the extreme left during the preceding months calling for demonstrations and strikes if the United States were to act against Cuba.

Pro-Cuban elemens in Ecuador made a major, though somewhat uncoordinated, effort to protest United States and OAS actions. These efforts were almost totally unsuccessful. Despite vitriolic attacks by extreme leftists publications and the exhortations of party leaders, there were only minor demonstrations in Guayaquil and Quito. In Peru, front organizations organized anti-United States rallies. Other than one at the University of Ica, which degenerated into a bloody brawl, these rallies were notable for the small attendance.

In Montevideo, Uruguay, a communist-organized demonstration was attended by some 7,000 students and workers. The demonstration was peaceful

was peaceful and broke up after a few anti-United States speeches. The organizers considered the demonstration disappointing. The Central of Uruguayan Workers twice failed in efforts to stage demonstrations.

In Bolivia, the pro-Castro demonstrations were met by an equal number or pro-United States demonstrations. The pro-US demonstrators did not hesitate to clash with the extreme left demonstrators.

In Chile, Mexico and the Dominican Republic there were only minor demonstrations. In Brazil, Haiti, Costa Rica, El Salvador, Guatemala, Nicaragua, Panama, Honduras and Paraguay there were no demonstrations. This was all the communists were able to muster.

United States Internal Security Programs

Whereas the problem for the United States in strengthening Latin American cooperation towards hemispheric security had, until the advent of the Castro movement, been largely one of maintaining its influence in the area and developing the capability of the Latin American countries to make at least a token contribution for collective defense, the problem has now become one requiring a United States contribution to the capability of the Latin American police and military elements to maintain internal law and order against communist inspired violence. This task is by no means confined to providing arms for the suppression of the CastroGcommunist movement. If the Latin American military and public safety forces are to win popular support for the measures that may be necessary to curb such violence, they must establish themselves in the public mind as a constructive, economically responsible element in the national life.

In this connection I would like to touch briefly on what we are doing in this field.

From its inception in 1952 until the Castrocommunist takeover in Cuba, our grant military assistance
program was limited to improving the capability of specific
military units which ten Latin American countries had
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agreed

agreed in bilateral military agreements, to maintain for collective defense, under the Rio Treaty, against external aggression.

However, two major developments required us to recrient our military policies and programs: (a) the growing reliance of Latin America on the United States for defense against external attack brought about by technological advances in warfare and (b) the growth of the Castro-communist subversive movements.

With respect to the latter development, it became apparent in 1960 with the avowed intention of the Castro regime to promote the overthrow of Latin American governments by indirect aggression and subversion, that the security of nearly every government in the hemisphere would be jeopardized, in varying degrees.

In anticipation that many countries would be confronted with Communist inspired disorders, terrorism, sabotage, and possibly guerrilla operations, a careful and intensive assessment was made by the United States in 1961 of the potential security threat to each country which the view to the immediate development and implementation of the United States military assistance and training programs reoriented to this new danger. Where critical deficiencies in the capability of local security forces were found, we moved rapidly in 1961 and 1962 to Provide of Property Property and Contract of Country Property and Country of Property and Country of Property and Country of Country forces were found, we moved rapidly in 1961 and 1962 to Provide of Property and Country of Country of

training, and services under our military assistance and public safety programs to make up such deficiencies.

While these measures served as an immediate response to the threat, we realized that over the long term the ultimate solution to the Communist violence problem would require nothing less that the establishment of political, economic and social stability through joint United States-Latin American endeavors under the Alliance for Progress. However, we could not disregard the intention of the Castro-communist movement to utilize subversion and force, whenever necessary to retard or prevent economic and social development through democratic processes. Consequently, our objectives have been regised and our programs reshaped to provide Latin American countries with the training and equipment required to frustrate such efforts.

The fundamental objective of our internal security programs in Latin America, is the establishment of Latin American military leadership and security forces dedicated to the tasks of: (1) preserving democratic constitutional order; (2) contributing to collective defense on a scale commensurate with Latin American military and economic capabilities; and (3) promoting social and economic development through civic action programs.

To these ends, we are providing the type of materiel, training and services required for the control of Communist inspired civil disturbances, for vigilance and control of movements of subversion and arms inside those countries and across their borders, and for the maintenance of observation and patrol of rural areas for detection and dispersion of guerrilla movements.

Resolutions 1 and 2 of the Punta del Este meeting, which define the present threat and collective measures that may be taken, are the multilateral keystones on which our present bilateral programs are based to improve the internal defense capabilities of the Latin American countries.

Closely related to the task of providing Latin
American security forces with appropriate materiel, is
the indoctrination and training of Latin American
military personnel with the complete portfolio of Communist
techniques and counter-measures through training in the
United States and Canal Zone Schools.

During the pst two years increased emphasis has been placed on training the Latin American military faction control, counter-guerrilla operations and tactics, intelligence and counter-intelligence, public information, psychological warfare, and other subjects which will contribute to the maintenance of public order and the Approved For Release 2005/06/09: CIA-RDP79T00429A000400020018-5 support

support of constitutional governments. These courses are given at United States military schools at Fort Gulick, Canal Zone and at Fort Bragg, North Carolina. Moreover, foreign officers attending the longer term, career command courses, in the United States, receive formal instruction which, in part, treats with the rights of government versus individual under the Constitution, emphasizing a proper regard for laws of the land, and stresses the application of legal procedures under democratic systems.

In October of 1962, the Inter-American Defense College was established under the auspices of the Inter-American Defense Board at Fort McNair and began its first course for senior officers from the armed forces of the various American Republics. The purpose of the College is to conduct courses of study on the Inter-American system and the military, economic, political and social factors that constitute essential components of defense of our free societies.

In our military assistance and training programs, we are emphasizing to the Latin American countries the need for participation in the economic development of the country through civic action programs. We are including in our equipment programs, wherever it is possible to do so, materiel that has some dual purpose as chrime chine class of the second of the s

equipment.

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The interest of the Latin American military in contributing to nation building projects was exemplified by their endorsement of an Inter-American Defense Board Resolution of December 1960, which recommends, in part:

"That the Governments of the American States take into consideration the advisability of employing organs of their Armed Forces, preferably in regions considered to be underdeveloped, in order to: (a) undertake highway and settlement work, and provide and establish technical services; (b) broaden the economic bases directed towards raising the standards of living of their people; and (c) educate the native populations in their own surroundings and create reserves of special labor for specific types of work."

In assessing the internal security situation in the region, we found that the civil police forces in many of the countries need assistance in the matter of police administration, training and operational techniques and particularly required greater mobility and more adequate systems of communications. Consequently, we developed a public safety program as an integral part of the AID Program in an effort to increase the effectiveness of civil police and to seek elimination of any duplication and conflict between civil police and military forces. The program efforts are based on the United States public services come ept stemming from

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the philosophy that police in a democratic society are self-imposed instruments of control and therefore should be responsive to the country's economic, political and social needs. This thinking is compatible with other AID objectives dealing with the development of free political institutions and also those which deal with prtecting the individual from exploitation or abuse. The Program at the same time supports establishment of a strong internal security base.

In this connection a regional Inter-American Police
Academy was established last; year in the Canal Zone
to which we invite selected members of Latin American
civil police forces for training in organization,
administration, riot control, records, and investigations,
all based on the public service concept.

Realizing that problems of internal security can only be resolved by the joint efforts of the civil and military sectors of society, our programs are being designed so that to win the support of non-Communist civilian elements and the local military, and are being carefully tailored to meet the individual requirements of the Latin American countries.

STEPS BEING TAKEN IN THE OAS TO COUNTER COMMUNIST SUBVERSION

As I noted at the outset, the struggle against extra-continental subversion is not a new experience for the inter-American system. The problem arose during World War II with the activities of Axis agents. To help the governments deal with it, the Third Meeting of Foreign Ministers (Rio de Janeiro, 1942) established the "Emergency Advisory Committee for Political Defense". This Committee functioned until the end of the war, rendering a most useful service to the inter-American community by assisting the member governments to identify centers of Axis propaganda, espionage and subversive activities and to develop suitable control measures.

The danger of international communism has been a topic of discussion and action in major inter-American forums from the outset of the Cold War. Beginning with the Ninth Inter-American Conference in 1948 to the present, the OAS has demonstrated a steadily growing preocupation over this threat and readiness to assist the governments to deal with it.

At Punta del Este last year the Foreign Ministers verified, to use the wording of Resolution I, "that the subversive offensive of communists governments, their agents and the organizations which they control has increased in intensity."

Concerning this offensive they said:

"The purpose of this offensive is the destruction of democratic institutions and the establishment of totalitarian dictatorships at
the service of extracontinental powers. The
outstanding facts in this intensified offensive are the declarations set forth in official
documents of the directing bodies of the
international communist movement, that one
of its principal objectives is the establishment of communist regimes in the underdeveloped
countries and in Latin America; and the existence
of a Marxist-Leninist government in Cuba which
is publicly aligned with the doctrine and
foreign policy of the communist powers."

"In order to achieve their subversive purposes and hide their true intentions, the communist governments and their agents exploit thelegitimate needs of the less-favored sectors of the population and the just national aspirations of the various peoples. With the pretext of defending popular interests, freedom is suppressed, democratic institutions are destroyed. human rights are viblated and the individual is subjected to materialistic ways of life imposed by the dictatorship of a single party. Under the slogan of "anti-imperialism" they try to establish an oppressive, aggressive imperialism which subordinates the subjugated nations to the militaristic and aggresive interests of extracontinental powers. By maliciously utilizing the very principles of the inter-American system, they attempt to undermine democratic institutions and to strengthen and protect political penetration and aggression. The subversive methods of

communist governments and their agents constitute one of the most subtle and dangerous forms of intervention in the internal affairs of other countries."

I want to note that this assessment was unanimously approved, with the sole exception of the Cuban delegation.

Mased on this finding the Foreign Ministers established OAS procedures for assisting the governments to meet the challenge. They directed the Council of the OAS:

"To maintain all necessary vigilance, for the purpose of warning against any acts of aggression, subversion, or other dangers to peace and security, or the preparation of such acts, resulting from the continued intervention of Sino-Soviet powers in this hemisphere, and to make recommendations to the governments of the member states with regard thereto."

At the same time they made provision for the establishment of a Special Consultative Committee on Security (SCCS), composed of experts on security matters, to advise the Council and the member governments, upon request, on technical problems in this field.

The SCCS was organized last spring and has met on three occasions since that time: to prepare an initial general report on communist subversive activities, to advise the Dominican Government, and to assist in the preparation of studies on subversion for the Council. The Council meanwhile has established a special committee of its own, composed of governmental representation, to Approved For Release 2005/06/09: CIA-RDP79T00429A000400020018-5

carry out its vigilance responsibilities. Both groups in recent weeks have been working together on special studies requested by the Foreign Ministers at their informal meeting in Washington last October 2-3.

At the informal meeting of Foreign Ministers. considerable time was devoted to the problem of subversion, as is reflected in the communique issued at the end of the meeting. The Foreign Ninisters found that at the present juncture the most urgent of the problems confronting the hemisphere was "the Sino-Soviet intervention in Cuba as an attempt to convert the island into an armed base for communist penetration of the Americas and subversion of democratic institutions". expressed the desire that in the ideological struggle against communism "the resources and methods inherent" in the democratic system should be mobilized to bring the peoples to realize fully the differences between totalitarianism and democracy". They also agreed "that is necessary for the countries, in accordance with their laws and constitutional precepts, to intensify measures to prevent agents and groups of international communism from carrying on their activities of a subversive nature." In this connection they asked that studies be made in the three areas where Castro-Communism appeared to be concentrating its effort: the transfer of funds to other Approved For Release 2005/06/09 : CIA-RDP79T00429A000400020018-5

American Republics for subversive purposes, the flow of subversive purposes, the flow of subversive propaganda, and the utilization of Cuba as a base for training in subversive activities. The SCCS has just completed a preliminary study of these three topics, setting forth its conclusions and specific recommendations for individual and cooperative action by governments.

The Council's Special Committee received the report in Spanish last Monday. After it has been translated and circulated among all the members of the Council, I hope it will be made public. The Special Committee is meeting this afternoon to consider this point.

I should add that the SCCS report is a technical study prepared by experts acting in their individual capacity. It is to be used by the Special Committee composed of governmental representatives in the preparation of a report to the Council setting forth recommendations for measures which governments may wish to adopt to strengthen their capacity to counter subversive activities in these three fields.

Meanwhile the Special Committee maintains a close watch over the incidence and pattern of Castro-Communist subversive activities for the purpose of warning the governments and recommending appropriate action.

ROLE OF THE ALLIANCE FOR PROGRESS IN THE HEMISPHERE'S SECURITY EFFORT

In the critical last week of October, when we confronted the Soviet Union bluntly and directly over the missiles in Cuba, the Finance Ministers of the 20 member countries of the Alliance for Progress met in Mexico City. President Kennedy sent a message to that conference, which reviewed the progress of the Alliance during its first year of operations, which established the clear and direct relationship of thir program to our and the hemisphere's security. He said to the Alliance conferees: "Your meeting is a vital reminder that the central task of this generation of Americans is not merely the avoidance of conflict. It is the construction of a new community of American nations in which all our citizens can live not only free from fear but full of hope...Just as the unyielding determination of today is essential if we are to realize the future promise of the Alliance for Progress, the future success of the Alliance for Progress will be the final vindication of the resolute course we are taking today."

The Alliance was not undertaken as a response to Castro. But I do not think there is any doubt that the threat of Castroism gave us a sense of urgency about the economic and social underdevelopment of Latin America and the resultant political tensions and dangers Approved For Release 2005/06/09: CIA-RDP79T00429A000400020018-5 that

that we did not have before. We have engaged in this program because it is right and because it is in our national interest to live in a world of independent and secure countries. By doing so, however, we also seek to provide for Latin America a democratic alternative to Castro-communism, reflecting another statement by President Kennedy -- "If peaceful evolution proves impossible, violent revolutions will be inevitable."

and riot equipment into Latin American hands today to stamp out rebellion and to shoot down the Communist leaders and followers. But in whose hands would we put these arms? How can we be sure that the riot quellers of today will not be the rioters tomorrow? What good are arms and security controls in a permanently unstable society?

In practice, we are providing aid to our sister republics in public safety and anti-subversion efforts, conscious of the fact that these efforts are meaningful only in the framework of a longer-term program. That program is the Alliance. We are buying time so the fruits of the Alliance have a chance to ripen. Some of them ripen fast - schools, health centers, pure water systems, low income homes, school feeding, farm-to-market roads. Others take time to produce results:

New industries, road and rail networks, modernized Approved For Release 2005/06/09: CIA-RDP79T00429A000400020018-5

agricultural

agricultural economies. We build the first kind, again, to buy more time for the second kind. What we aim at is, over the next ten years, to develop skills, attitudes and material foundations on the basis of which Latin America can go forward to self-sustaining growth. What we aim at, simultaneously, is the production of sufficient evidence for a large enough number of people that our way works so as to deter them from following the false but alluring taunts of the Castroites and Communists.

Are we succeeding? We cannot answer this question with certainty. What we do know is that we are getting under the Castroites' and the Communists' skin. The Alliance for Progress is a constant object of their scorn and their attacks. If that be a measure of the threat it poses to their goals, then we have reason to be helpful about its appeal to the Latin American masses and its chances of success. Let me quote just a few examples.

Peking Radio on August 25th last year quoted the Mexican Communist organization which calls itself the National Liberation Movement as follows: "The Alliance for Progress is nothing but a hoax which could not deceive the people". It goes on to say: "Nobody can arrest the

advance

advance of history, whether by violence or threat, propaganda or the 20 billion dollars, a United States promise connected with the Alliance for Progress program."

Cuban Communist leader Blas Roca in an article in Cuba Socialista in May of last year mentioned the Alliance no less than six times in two pages. He says the Alliance "gives no adequate or effective answer to the cry of the peoples of Latin America." The reason for this, says the Cuban Communist chief, is that it will not - and I quote again "liberate Latin American from Yankee rule, but...strengthen it." The burden of his article, translated into plain language, is that the Alliance would greate a satisfactory and healthy relationship between the United States and Latin America and thus must be fought like poison by the Communists.

castro's hope for the defeat of the Alliance was expressed in an interview with some Western reporters on June first, when he said that the American economy cannot afford the Alliance. He said, hopefully no doubt, and I quote from a Reuters dispatch in the New York Times! "They (the Americans) have neither the gold reserves nor the organization nor the men to make it work." We do not need to concern ourselves too much with challenges thrown out by Fidel Castro.

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The challenge we face is solf-imposed, not only by us in the United States but by all 20 Alliance mombers. It is to end hunger, disease and illiteracy in Latin America, to make those republics a better place to live for their people and thus to make the hemisphere a better place to live for the United States. And it is a point to remember that Eastro, Khrushchev and Mao Tse-Tung would rejoice if we gave up on the premise of the Alliance for Progress. They are right, of course, in being concorned about the Alliance, not only for the long-term future, but more immediately, for one factor in the unanimous agreement in the Hemisphere on what to do about the missiles and the failure of the Communist program of protests was the new hope of peaceful change brought by the Alliance and the new view of the US resulting from our leadership in this effort.

We see the Alliance as much more than a program of economic and social progress. We see it as a political and ideological program as well, depending on its success as much on the development of Latin America's human resources, the reshaping of public and leadership attitudes and institutions as on the building of roads, factories and hospitals.

The Charter of Punta del Este calls for more than a collection of separate projects paid for by American public funds. It envisages the modernization of society Approved For Release 2005/06/09: CIA-RDP79T00429A000400020018-5

throughout Latin America. This includes the harnessing of the intensive craving for a national renaissance to the constructive goals set forth in the Charter. It means the development of wise and responsible political leaderships the broadening of opportunities for the increasingly frustrated and impatient young generation, particularly in the universities, and the channeling of vast intellectual and physical energies into the pursuit of national strength and independence in each member country of the Alliance.

base must go hand in hand with the development of an open and vigorous society in which there is room at the top and near the top for all those whose talents and dedication entitles them to play a more meaningful and self-fulfilling role in the conduct of their nation's affairs. If Latin American succeeds in this quest, if its youth finds the opportunity to plot solutions instead of revolutions, to demonstrate results instead of just demonstrating, the death knell will have sounded for the pessimism and the nihilism that are Castro's most valuable assets.

The pursuit of these objectives also entails a new dimension for our own Latin American policy and the resetting of sights on the part of all Americans,

official

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official and private, active in the region end in hemisphere affairs. This reorientation of our own attitudes is not an intellectual exercise. It is a requirement for the successful conduct of our new Latin American policy. Our own destiny is inextricably bound up with the development of ahhemisphere-wide renewal which is long overdue. The alternative is a series of convulsions whose consequences cannot be foreseen but which are more likely to serve the objectives of our adversaries than the interests of Latin America and the United States.

In this sense, the Alliance for Progress is a policy of both national and hemispheric security which, regardless of the frustrations and disappointments we may experience, must be pursued steadfastly until the common goal is achieved.

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CONCLUSIONS

In concluding this presentation I want to draw a few tentative conclusions.

- a serious problem in communist subversion. Assessments of the degree of danger to particular countries will vary, but no country now seems likely to succumb in the foresceable future. No one can deny, however, that it is a real and continuing problem as far as the peace and security of the hemisphere as a whole is concerned. Further, we cannot disregard the fact that terror and violence create conditions which make it far more difficult for public or private enterprise to schieve the economic and social progress essential to the ultimate defeat of subversion and the success of the Allience for Progress.
- 2. During the months ahead we may well witness a stepup of the tactics of violence as the communists, impatient
 to score successes to recoup their prestige in Cuba and in
 the hemisphere, resort to terrorism, sabotage and guerrilla
 activities in an attempt to get publicity, unseat governments
 and seize power.
- 3. The nature of subversive action places the primary responsibility on each country to adopt necessary legislation, establish required administrative machinery, and develop

sufficient

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sufficient internal security forces to meet any situation which may arise. But such formal steps are not enough.

Will and skill and courage are also required. And ultimately governments can only succeed if by their policies for promoting political, economic and social development they are able to command the active support of the great majority of their peoples.

- A. It is no less true, however, that the effectiveness of the measures taken individually can be measurably increased or decreased by the degree to which the governments, including the United States, cooperate with one another, bilaterally or in larger groups like the CAS, sharing resources, experience and intelligence.
- 5. Without being complacent, we in the United States can derive certain satisfaction from the headway that is being made resulting from United States, OAS and country actions to reduce the influence and capabilities of Cuba and the bloc and to control local subversive activities of all kinds in each country.
- 6. The activities of all U.S. agencies must continue to be vigorous and closely integrated into a single program which, in turn, is fitted to the particular problems and programs of each country, on the one hand, and the CAS on the other.
- 7. Further deterioration of the prestige and influence of the present regime in Cuba, and its eventual replacement by a government

a government freely chosen by the Cuban people will contribute materially to reducing the threat but will not eliminate it. To do this, we must all work continuously on many fronts, positive and negative, individually and together, until the strength of our free democratic system to meet the highest needs and aspirations of the peoples is unmistakebby proven to all.